An act relating to the regulation of hydrofluorocarbons

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 10 V.S.A. § 586 is added to read:

§ 586. REGULATION OF HYDROFLUOROCARBONS

- (a) As used in this section:
- (1) "Class I substance" and "class II substance" mean those substances listed in the 42 U.S.C. § 7671a, as it read on November 15, 1990 and Appendix A or B of Subpart A of 40 C.F.R. Part 82, as those read on January 3, 2017.
- (2) "Hydrofluorocarbon" means a class of greenhouse gases that are saturated organic compounds containing hydrogen, fluorine, and carbon and are used primarily in refrigeration, air-conditioning equipment, foam expansion agents, aerosol propellants, solvents, and fire suppressants.
- (3) "Residential consumer refrigeration product" has the same meaning as in Section 430.2 of Subpart A of 10 C.F.R. Part 430.
- (4) "Substitute" means a chemical, product substitute, or alternative manufacturing process, whether <u>existing or new-or retrofit</u>, that is used to perform a function previously performed by a class I substance or class II substance and any substitute subsequently adopted to perform that function, including hydrofluorocarbons.
- (b)(1) The All prohibitions on the use of class I substances and class II substances as set forth in 42 U.S.C. §§ 7671a and 7671k, as those read on November 15, 1990, or any substitute as set forth in Appendix U and Appendix V of Subpart G of 40 C.F.R. Part 82, as those read on January 3, 2017, is prohibited shall apply, except as otherwise provided by in subdivision (3) of this section.

- (2) If the U.S. Environmental Protection Agency approves a previously prohibited hydrofluorocarbon blend with a global warming potential of seven hundred fifty or less for foam blowing of polystyrene extruded boardstock and billet and rigid polyurethane low-pressure two-component spray foam pursuant to the Significant New Alternatives Policy Program, adopted pursuant to Section 7671k of the federal Clean Air Act (42 U.S.C. § 7401 et seq.), the Secretary shall expeditiously propose adopt rules pursuant to to conform the requirements established under this section with that federal action.
- (3)(A) Prohibitions on residential consumer refrigeration products, which appear in Appendix V of Subpart G of 40 C.F.R. Part 82 under the heading "Refrigerants—Unacceptable Substitutes," as it read on January 3, 2017, except compact and built-in residential consumer refrigeration products, shall take effect January 1, 2022.
- (B) Prohibitions on built-in residential consumer refrigeration products, which appear in Appendix V of Subpart G of 40 C.F.R. Part 82 under the heading "Refrigerants—

 <u>Unacceptable Substitutes," as it read on January 3, 2017,</u> shall take effect on January 1, 2023.
 - (c) The Secretary may adopt rules that include any of the following:
- (1) The modification of the deadlines of a prohibition established pursuant to this subsection (b) if the Secretary determines that the modified deadline meets both of the following:
 - (A) reduces the overall risk to human health or the environment; and
 - (B) reflects the earliest date that a substitute is currently or potentially available.
- (2) The prohibition on the use of any substitute if the Secretary determines that the prohibition meets both of the following criteria:
 - (A) reduces the overall risk to human health or the environment; and
 - (B) a lower-risk substitute is currently or potentially available.

- (3) The creation of a list of approved substitutes, use conditions, or use limits, if any, and the addition or removal of substitutes, use conditions, or use limits to or from the list of approved substitutes if the Secretary determines those substitutes reduce the overall risk to human health and the environment.
- (4) Within twelve months of another state's enactment or adoption of restrictions on substitutes applicable to new light duty vehicles, restrictions applicable to the sale, lease, rental, or other introduction into commerce by a manufacturer of new light duty vehicles consistent with the restrictions identified in Appendix B, Subpart G of 40 C.F.R. Part 82, as it read on January 3, 2017. The Secretary may not adopt restrictions that take effect prior to the effective date of restrictions adopted or enacted in at least one other state.
- (d) A person shall not offer any equipment or product for sale, lease, rent, or otherwise cause any equipment or product to enter into commerce in Vermont if that equipment or product uses or will use a substitute in a manner inconsistent with any of the following:
 - (1) any prohibitions in subsection (b) of this section;
- (2) any prohibitions, use conditions, or use limits in subsection (c) of this section or rule; or
 - (3) any other applicable laws.

Sec. 2. ADOPTION OF RULES AND REPORT

(a) On or before July 1, 2020, the Secretary of Natural Resources shall file with the Secretary of State proposed rules to implement 10 V.S.A. § 586. The rules shall establish a schedule to phase down the use of hydrofluorocarbons to meet the goal of a 40 percent reduction from the 2013 level of use by 2030.

(b) On or before January 15, 2020, the Secretary of Natural Resources shall submit a report to the Senate Committee on Natural Resources and Energy and the House Committee on Energy and Technology on progress in filing proposed rules to implement 10 V.S.A. § 586 and any delays in such rulemaking.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2019.